

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6869

BILL NUMBER: HB 1188

NOTE PREPARED: Jan 21, 2010

BILL AMENDED: Jan 21, 2010

SUBJECT: Manufacturer's Plates for Subcomponent Systems.

FIRST AUTHOR: Rep. Austin

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill requires the Secretary of State (SOS) to adopt rules to establish research and development license plates for use by manufacturers of vehicle subcomponent systems. It sets a \$20 fee for a research and development license plate. The bill requires the SOS to adopt interim written guidelines regarding the classification of research and development license plates.

Effective Date: Upon passage.

Explanation of State Expenditures: Requiring the SOS to establish rules and guidelines will have no fiscal impact and will be completed under current rule-making procedures. The fund affected is the dedicated fund supporting the operation of the Dealer Services Division of the SOS.

License Plates: PEN PRODUCTS, the manufacturing arm of prison-made products, will charge the Bureau of Motor Vehicles (BMV) \$3.19 per plate for the newly established plate. The funds affected are the PEN PRODUCTS Revolving Fund and the Motor Vehicle Highway Account (MVHA), which supports the BMV. The plates will be transferred to the SOS.

Explanation of State Revenues: (Revised) The SOS will charge \$20 for a license plate for a manufacturer of vehicle subcomponent systems. Revenue will depend upon the number of manufacturers who purchase the newly created license. The term "manufacturer of a vehicle subcomponent system" includes a public or private university that is engaged in research, development, or manufacture of a vehicle subcomponent system. The number of such manufacturers and universities is not known at this time.

(Revised) *Penalty Provision:* Violators of the rules adopted by the SOS commit a Class A infraction. The maximum judgment for a Class A infraction is \$10,000, which would be deposited in the state General Fund.

However, any additional revenue is likely to be small.

If a criminal action, infraction or ordinance violation involves a traffic violation, including this proposed offense, additional fees may be assessed.

Explanation of Local Expenditures:

Explanation of Local Revenues: (Revised) *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees. However, any additional revenue is likely to be small.

State Agencies Affected: SOS; BMV; PEN Products.

Local Agencies Affected: Trial courts, local law enforcement agencies. Trial courts, local law enforcement agencies.

Information Sources: Mark Spratt, Controller, PEN Products, 317 388-8580 x 242.

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